

Internal Revenue Service
memorandum

date: APR 10 1991

to: Director, Internal Revenue Service Center
Kansas City, MO
Attn: Entity Control

from: Technical Assistant
Employee Benefits and Exempt Organizations

subject: CC:EE:3 - TR-45-101-91
Railroad Retirement Tax Act Status

Attached for your information and appropriate action is a copy of a letter from the Railroad Retirement Board concerning the status under the Railroad Retirement Act and the Railroad Unemployment Tax Act of:



We have reviewed the opinion of the Railroad Retirement Board and, based solely upon the information submitted, concur in the conclusion reached by the Board that [REDACTED] is not an employer under the Railroad Retirement and Railroad Unemployment Insurance Acts.

(Signed) Ronald L. Moore

RONALD L. MOORE

Attachment:

Copy of letter from Railroad Retirement Board

cc: Mr. Gary Kuper
Internal Revenue Service
200 South Hanley
Clayton, MO 63105

08984

UNITED STATES OF AMERICA
RAILROAD RETIREMENT BOARD
844 RUSH STREET
CHICAGO, ILLINOIS 60611

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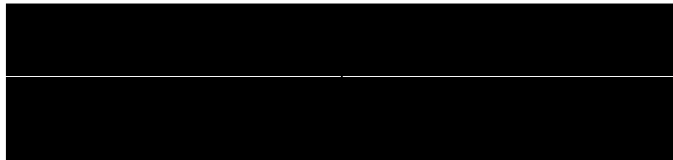
BUREAU OF LAW

Assistant Chief Counsel
(Employee Benefits and
Exempt Organizations)
Internal Revenue Service
1111 Constitution Avenue., N.W.
Washington, D.C. 20224

Attention: CC:IND:1:3

Dear Sir:

In accordance with the coordination procedure established between the Internal Revenue Service and this Board, I am enclosing for your information a copy of an opinion in which I have expressed my determination as to the status under the Railroad Retirement and Railroad Unemployment Insurance Acts of the following:



Sincerely yours,

A handwritten signature in cursive script, appearing to read "Steven A. Bartholow".

Steven A. Bartholow
Deputy General Counsel

Enclosure

EMPLOYER STATUS DETERMINATION RATIONALE

[REDACTED]

[REDACTED] is a management company which is [REDACTED]% owned by [REDACTED]. [REDACTED] owns approximately [REDACTED]% of the stock of [REDACTED], which is engaged in [REDACTED] and [REDACTED] operations, property management, and other enterprises. Neither company is a carrier by rail. [REDACTED] owns [REDACTED]% of [REDACTED]. [REDACTED] in turn owns [REDACTED]% of two small switching railroads which operate in the [REDACTED] area. [REDACTED] (BA-[REDACTED]), and [REDACTED] (BA-[REDACTED]), which are covered employers under the Acts.

[REDACTED], which was incorporated in [REDACTED], presently has [REDACTED] employees. According to [REDACTED], Vice President of [REDACTED], [REDACTED] of [REDACTED]'s employees spend small amounts of their time performing certain administrative services for [REDACTED], including coordination of office leasing and the employee hospitalization plan. In total, [REDACTED] employees spend approximately six-tenths of one percent of their time on activities related to [REDACTED]. Approximately [REDACTED]% of [REDACTED]'s revenues are attributable to [REDACTED].

The services provided by [REDACTED] with respect to [REDACTED] are insubstantial and even if it could be said that [REDACTED] is under common control with [REDACTED], the services provided would be considered casual under section 202.6 of the Board's regulations. Accordingly, it is determined that [REDACTED] is not an employer under the Railroad Retirement and Railroad Unemployment Insurance Acts.